

## **ABSTRACT**

A method and system for trading long and short inventory positions in securities for participants involves systematically obtaining long and short position information from each participant, processing the information in accordance with participant-controlled parameters, matching the participants' short positions to other participants' long positions and feeding the resultant activity back to each participant in the form of system-generated repo and reverse repo trades, while maintaining the anonymity of the participants. Another aspect enables trading baskets of serial overnight trades, each of which is treated as an independent overnight repo / reverse trade for financial reporting purposes, with corresponding notional amount, that involves, for example, cancellation of a basket trade and creating in its place a series of overnight trades corresponding to the basket trade

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